

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

June 1, 1955

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net decreases of \$30 million in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products, \$27 million to manufacturers of food, liquor, and tobacco products, \$17 million to sales finance companies, \$12 million to commodity dealers, and \$38 million to unclassified borrowers which included the redemption of Commodity Credit Corporation certificates of interest, were the principal factors in the \$102 million decrease in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended May 25. The principal offsetting increase was \$14 million in loans to public utilities.

The decrease in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products was the largest decrease in this business category since November of last year; it was reflected in all but the Atlanta District. Following eight weeks of increases, loans to the construction industry decreased \$3 million.

Changes in loans during the week and since the year-end are shown below; the third column shows the changes during the comparable period last year:

<u>Business of Borrower</u>	Week ended <u>May 25<sup>p/</sup></u>	<u>Cumulative since year-end</u>	
		<u>Dec. 29, 1954</u> to <u>May 25, 1955<sup>p/</sup></u>	<u>Dec. 30, 1953</u> to <u>May 26, 1954</u>
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	- 27	-507	- 474
Textiles, apparel, and leather	- 2	+180	+ 50
Metals and metal products	+ 3	+108	- 271
Petroleum, coal, chemicals, & rubber	- 30	+279	+ 8
Other manufacturing and mining	+ 1	+ 97	- 23
Trade -- wholesale and retail	+ 5	+100	- 43
Commodity dealers	- 12	-398	- 327
Sales finance companies	- 17	+348	- 242
Public utilities and transportation	+ 14	+141	- 58
Construction	- 3	+ 69	+ 53
Other types of business	+ 4	+ 95	+ 43
Classified changes - net	- 64	+511	-1,284
Unclassified changes - net	- 38	-299	- 242
Net change in commercial, industrial, and agricultural loans	-102	+212	-1,526

<sup>p/</sup> Preliminary; see footnote on attached table.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,  
WEEK ENDED WEDNESDAY, MAY 25, 1955

Business of Borrower	All Dis- tricts <u>p/</u>	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Francisco
		(In millions of dollars)											
Manufacturing and mining:													
Food, liquor, and tobacco	-26.6	- 1.2	-15.2	- .1	-10.6	- 2.0	+ .7	+ 1.7	+ .5	+ .5	+ .3	- 1.2	
Textiles, apparel, and leather	- 2.2	- .4	- .6	- 1.3	+ .5	- .7	--	+ 1.2	+ .3	- 1.3	+ .1	--	NOT
Metals and metal products (including machinery & transportation equipment)	+ 3.0	+ .1	+ 8.3	- .3	--	+ .1	+ .5	- 4.4	+ .3	- .4	- .6	- .6	
Petroleum, coal, chemicals, and rubber	-30.3	- 2.6	-13.5	- .9	- 2.4	- 1.8	+ .7	- 3.8	- 1.1	- 1.4	- .9	- 2.6	
Other manufacturing and mining	+ .6	- 1.7	+ 1.0	+ 1.8	- .9	+ .4	+ 1.3	+ .1	- .9	--	- .3	- .2	AVAIL-
Trade:													
Wholesale	(+ 5.1)	+ .4	+ .1	- .1	- .5	+ .4	+ .3	- .5	- .2	+ .2	- .3	(+ .6)	
Retail		- .1	+ 2.8	--	--	- .2	+ .6	+ 1.9	+ .1	--	- .4		
Commodity dealers	-11.6	- 1.2	+ 1.8	- 1.3	- .4	- .7	- 1.6	- 1.1	- 4.8	- 1.3	- 1.0	--	
Sales finance companies	-17.4	+ .5	-11.6	- 2.5	- .2	- .7	- 1.7	+ 2.7	- 4.7	+ 1.0	+ .6	- .8	ABLE
Public utilities (including transportation)	+14.1	- .3	+13.7	+ .2	- .2	+ .2	--	- .5	+ .3	- .1	+ .3	+ .5	
Construction	- 3.1	+ .7	+ 1.5	--	--	--	- .9	+ 2.6	+ .3	+ .4	- .5	- 7.2	
All other types of business	+ 4.1	+ .8	+ 7.6	- .9	+ .3	+ 1.3	- 1.8	- 3.0	- 1.5	+ .4	+ .5	+ .4	
Net change in classified loans <u>1/</u>	-64.3	- 5.0	- 4.1	- 5.4	-14.4	- 3.7	- 1.9	- 3.1	-11.4	- 2.0	- 2.2	-11.1	
Unclassified changes - net	-37.7	- 2.0	-10.9	- 3.6	- .6	- 2.3	- 8.1	+ .1	+ .4	+ 2.0	- .8	- 3.9	- 8.0
Net change in commercial, industrial, and agricultural loans	-102.0	- 7.0	-15.0	- 9.0	-15.0	- 6.0	-10.0	- 3.0	-11.0	--	- 3.0	-15.0	- 8.0

p/ Preliminary; final totals will appear in the F. R. Bulletin and San Francisco District figures appear in a release of the Reserve Bank.

1/ About 220 weekly reporting member banks are reporting changes in their larger loans as to industry; these banks hold over 90 per cent of total commercial and industrial loans of all weekly reporting member banks and nearly 70 per cent of those of all commercial banks.